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CENTRAI INTELLIGEN BULLETIN



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25 July 1962

CENTRAL INTELLIGENCE BULLETIN

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Angola: The Angolan Government appears headed for an internal crisis as a result of conservative pressure on Lisbon to dismiss Governor General Deslandes because of his efforts to implement the reformist economic and political policies of Overseas Minister Moreira. Various measures, including new tax laws, have antagonized the powerful Angola diamond company and other Portuguese consortiums. Conservative interests are demanding that Lisbon quell the nationalist revolt before instituting reforms, arguing that the nationalists might believe the reforms signify weakness.

Meanwhile, the recent escape of Agostinho Neto from Portugal to Morocco is likely to strengthen significantly the Communist-influenced Popular Movement for the Liberation of Angola (MPLA), to the detriment of Holden Roberto's rival group. Neto, MPLA's honorary president, is a widely revered symbol of Angolan nationalism. An intellectual, he is a full-blooded African who will make up for MPLA's past reliance on mulatto leadership.

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Peru: The general strike by APRA-led unions on 23 July failed because of the "excellent coordination" between the ruling military junta and Communist trade unions, according to the US ambassador. Promises by the junta to settle labor problems in favor of the workers and veiled threats of reprisals against striking unions, combined with anti-strike propaganda from the Communists, dissuaded most APRA workers from heeding the general strike call.

Ambassador Loeb sees the "unholy alliance" of the military and the Communists as "a major and frightening development." The junta now intends to hold new elections in the Peruvian Confederation of Workers in order to remove pro-APRA leaders. This would open the way to Communist control. The Communists have been trying unsuccessfully for many years to break APRA's dominance in the Peruvian labor movement.

APRA's countermoves against the junta are being inhibited by former Prime Minister Pedro Beltran's cautious leadership of the Frente Civica, formed to coordinate opposition to the junta. Beltran seems to be maneuvering toward creation of a civilian provisional government under his presidency, which he hopes could obtain junta approval. The junta probably feels the facade of such a government would make the new regime more acceptable to the United States. It would also restore APRA to the political isolation which it has been breaking down over the past six years.

The junta has launched a campaign to obtain US recognition by appealing to US business interests in Peru to argue the junta's case in Washington, and by appealing to friends in the US armed forces to urge reversal of the US' nonrecognition decision.

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DAILY BRIEF

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Military Representative of the President

The Special Assistant for National Security Affairs

The Scientific Adviser to the President

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The Director, National Aeronautics and Space Administration

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Counselor and Chairman of the Policy Planning Council

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Supreme Allied Commander, Europe

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The Director of Naval Intelligence, Department of Navy

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